

ND STATE INVESTMENT BOARD

State Investment Board Balance Sheet As of 10/31/2008

	As of <u>10-31-08</u>	As of <u>6-30-08</u>
ASSETS:		
INVESTMENTS (AT MARKET)		
DOMESTIC EQUITIES	\$ 1,107,251,073	\$ 1,603,374,536
INTERNATIONAL EQUITIES	472,351,722	751,763,915
DOMESTIC FIXED INCOME	1,911,782,772	2,116,937,618
INTERNATIONAL FIXED INCOME	171,260,400	193,480,800
REAL ESTATE	417,466,661	433,101,768
ALTERNATIVE INVESTMENTS	191,762,420	203,274,502
INVESTED CASH (NOTE 1)	<u>79,504,095</u>	<u>82,143,865</u>
 TOTAL INVESTMENTS	 4,351,379,143	 5,384,077,004
RECEIVABLES		
DIVIDEND/INTEREST RECEIVABLE	19,694,727	22,250,638
MISCELLANEOUS RECEIVABLE	<u>8,579</u>	<u>7,894</u>
 TOTAL RECEIVABLES	 19,703,306	 22,258,532
OTHER ASSETS		
INVESTED SECURITIES LENDING COLLATERAL (NOTE 2)	165,726,975	193,890,417
OPERATING CASH	<u>54,690</u>	<u>110,297</u>
 TOTAL ASSETS	 <u>\$ 4,536,864,114</u>	 <u>\$ 5,600,336,250</u>
LIABILITIES:		
SECURITIES LENDING COLLATERAL (NOTE 2)	165,726,975	193,890,417
ACCOUNTS PAYABLE	12,699	34,863
ACCRUED EXPENSES	62,051	56,242
INVESTMENT EXPENSE PAYABLE	<u>6,782,145</u>	<u>6,781,460</u>
 TOTAL LIABILITIES	 172,583,870	 200,762,982
NET ASSETS AVAILABLE:		
NET ASSETS AVAILABLE BEGIN OF YEAR	5,399,573,268	5,635,611,032
CASH IN DURING YEAR (NOTE 3)	72,722,000	365,048,641
CASH OUT DURING YEAR (NOTE 4)	125,507,145	353,400,350
NET INCREASE (DECREASE)	<u>(982,507,879)</u>	<u>(247,686,055)</u>
 NET ASSETS AVAILABLE END OF PERIOD	 <u>4,364,280,244</u>	 <u>5,399,573,268</u>
 TOTAL LIABILITIES & NET ASSETS AVAILABLE	 <u>\$ 4,536,864,114</u>	 <u>\$ 5,600,336,250</u>

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State Investment Board Profit and Loss Statement For the Month Ended 10/31/2008

	Month Ended <u>10-31-08</u>	<u>Year-to-Date</u>
ADDITIONS:		
INVESTMENT INCOME		
INTEREST/DIVIDEND INCOME	\$ 10,268,184	\$ 45,760,613
SECURITIES LENDING INCOME	426,461	1,679,143
	<u>10,694,645</u>	<u>47,439,756</u>
 GAIN ON SALE OF INVESTMENTS	 79,521,371	 236,066,118
LOSS ON SALE OF INVESTMENTS	<u>180,756,118</u>	<u>340,078,235</u>
 NET GAINS (LOSSES) INVESTMENTS	 (101,234,747)	 (104,012,117)
 INVESTMENT EXPENSES	 1,518,212	 7,672,938
SECURITIES LENDING EXPENSES	292,196	1,289,573
 NET INVESTMENT INCOME	 (92,350,510)	 (65,534,872)
 NET APPREC (DEPREC) MARKET VALUE	 (471,411,453)	 (917,881,747)
MISCELLANEOUS INCOME/(EXPENSE)	<u>(651,253)</u>	<u>1,091,177</u>
 TOTAL INVESTMENT INCOME	 <u>(564,413,216)</u>	 <u>(982,325,442)</u>
 DEDUCTIONS:		
ADMINISTRATIVE EXPENSES	46,066	182,437
 NET INCREASE (DECREASE)	 <u>\$ (564,459,282)</u>	 <u>\$ (982,507,879)</u>

ND STATE INVESTMENT BOARD
Notes To Financial Statements
October 31, 2008

The following notes to financial statements are intended to provide general descriptions of line items in the financial statements.

NOTE 1 **INVESTED CASH**

Cash invested in a money market demand account at the Bank of North Dakota.

NOTE 2 **SECURITIES LENDING COLLATERAL**

Securities are loaned versus collateral that may include cash, U.S. government securities and irrevocable letters of credit. U.S. securities are loaned versus collateral valued at 102% of the market value of the securities plus any interest. Non-U.S. securities are loaned versus collateral valued at 105% of the market value of the securities plus any accrued interest. Non-cash collateral cannot be pledged or sold unless the borrower defaults. Cash open collateral is invested in a short term investment pool.

NOTE 3 **CASH IN DURING YEAR**

Cash transferred into investment accounts at The Northern Trust during the current fiscal year.

NOTE 4 **CASH OUT DURING YEAR**

Cash transferred out of investment accounts at The Northern Trust during the current fiscal year.